GOVERNMENT OF INDIA
DEVELOPMENT OF NORTH EASTERN REGION
LOK SABHA

UNSTARRED QUESTION NO:2832
ANSWERED ON:05.12.2007
PSUS IN NORTH EASTERN REGION
Sarma Dr. Arun Kumar

Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state:

hat the present status of the proposals for making the regional PSUs operating in the NER like North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC) and North Eastern Handicrafts and Handlooms Development Corporation (NEHHDC) commercially viable organizations and the achievement made so far in this regard?

Answer

MINISTER, MINISTRY OF DEVELOPMENT OF NORTH EASTERN REGION(SHRI MANI SHANKAR AIYAR)

The Public Sector Undertakings (PSUs) under this Ministry, viz. North Eastern Regional Agricultural Marketing Corporation Limited (NERAMAC) and North Eastern Handicrafts and Handlooms Development Corporation (NEHHDC) have been incurring losses since inception. The steps planned and being taken up by these Corporations and the Ministry to make them viable are as follows:

NERAMAC
Increase in number and quantity of items for procurement by NERAMAC to get reasonable returns and the adoption of a proactive role by its management with the active cooperation of the State Governments of North Eastern Region.

Strengthening of backward linkages for trading items as well as for raw materials required for processing activities, through entering into Memoranda of Undertaking (MoU) with Self Help Groups, farmer cooperatives/ societies etc.

Strengthening of forward linkages with the buyers of raw agri - horticulture produce and the processed products through MoUs.

Rationalisation of existing manpower and induction of professionals and experts in the Corporation

Diversification of the Pineapple Juice Concentrate Plant at Nalkata to produce other products, apart from pineapple juice concentrate, to make the unit operational for as many days as the raw material can be available in sufficient quantity.

Full operationalisation of Ginger Processing Plant at Byrnihat in Meghalaya.
Setting up of a Cashew Nut processing unit at Mankachar in Assam.
Working capital requirement of NERAMAC (for smooth functioning of their activities) has been arranged.

NEHHDC

Emphasis on aggressive marketing of North Eastern Handicrafts & Handlooms through various means, including launching of a web-site, development of designs, arranging buyer- seller meets and a more proactive approach on the part of the management of NEHHDC.
Renovation of existing showrooms.
Activation of the Common Facility Centre for Bamboo and wood-based products at Guwahati with assistance from the Export Promotion Council for Handicrafts.

Rationalisation of existing manpower and induction of professionals and experts in the Corporation.

All these steps in these PSUs have been initiated recently and would take some time before the Corporations show appreciable results.